

(a) whether opinion of expert bodies to grant Scheduled Tribe status to Gaddies and Gujjars of the areas merged with Himachal Pradesh has since been received;

(b) if so, the details thereof; and

(c) if not, the reasons therefor with steps to be taken to get the same expedited?

THE MINISTER OF TRIBAL AFFAIRS (SHRI JUAL ORAM): (a) No, Sir.

(b) Does not arise.

(c) The concerned agencies have been reminded to expedite their reports.

#### **Fees payable to global advisors**

\*68. SHRI SWARAJ KAUSHAL: Will the Minister of DISINVESTMENT be pleased to refer to reply to part (b) of Unstarred Question 821 given in the Rajya Sabha on 31st July, 2000 and state the fees payable to each one of the global advisors for disinvestment of the PSUs?

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI A RUN SHOURIE): A Statement indicating the fees payable to the advisors is enclosed (*See* below).

The fees payable to the advisors generally consist of two components. The first component is called 'success fee' which is fixed percentage of the gross proceeds to be received by the Government from the disinvestments. Since it is directly linked with the amount of money realisable from disinvestments, it serves as an incentive to the advisor to get the best price from disinvestments. It ranges from 0.29% to 1%.

The other component of the fee is called 'drop dead fee' which is a lump-sum amount payable to the advisor only in the event of the transaction being culled off by the Government.

The fees for specific transactions vary from transaction to transaction depending on various factors like nature of disinvestment, total realisable value from disinvestments, quantum of work required to complete the transaction, degree of difficulty and chances of success of the transaction etc. Further, Consultants appointed for disinvestments through joint venture route are given flat/fixed/lumpsum fee/asset valuation fee/out of pocket expenditure depending on the different criteria.

[26th February, 2001]

RAJYA SABHA

# Statement

## Free Payable for Advisors

S. No.	Name of the PSU	Advisor	Success Fee%	Drop Dead Fee	Remarks
1.	IPCL	Warburg Diillion Read	0.75% of sale proceeds	Not specified	—
2.	BALCO	Jardine Fleming India Securities Ltd.	1.00%		
3.	RBL Ltd.	S. B. Billimoria & Company			a) Lump sum fee Rs. 12.50 lakhs. b) Out of pocket expenditure—1.50 lakhs. c) Assets valuation—Rs. 1.50 lakhs.
4.	Bharat Leather Corp.	SB! Capita] Markets Ltd.	1.00%	—	a) Lumpsum fee Rs. 3 lakhs. b) Out of pocket expenditure limited to actuals.
5.	NEPA Ltd.	SB1 Capital Markets Ltd	0.50% (minimum Rs. 15 lakhs maximum Rs. 75		
6.	Instrumentation Ltd., Kota	IDB1	—		Lump sum fee Rs. 42.50 lakhs.
7.	Hindustan Cable Ltd.	I-Sec	—	—	Lump sum fee Rs. 40 lakhs.
8.	HTL	KPMG India Pvt. Ltd.	1.25%	Rs. 14.00 lakhs	I —

S. No.	Name of the PSU	Advisor	Success Fee%	Drop Dead Fee	Remarks
9.	Scooters India Ltd.	Price Waterhouse Coopers.			a) Fixed fee Rs. 121 lakhs b) Asset valuation Rs. 3.30 lakhs
10.	Hindustan Copper Ltd	IDBI Sumitom Bank Consortium	0.299%	—	
11.	Air India	JM Morgan Stanley Ltd.,	0.30%	75 lakhs	—
12.	ITDC	Lazard India Ltd.	0.45%	—	—
13.	National Fertilizers Ltd.	Rabo Finance Private Ltd.	0.275%	Rs. 7.50 lakhs + actual expenses on travel and out of pocket expenditure	
14.	Jessop & Company	A.F. Ferguson	1.85%	Rs. 7.5 lakhs	
15.	Madras Fertilizers Ltd.	ICICI Securities & Bank of America	0.65%	Not indicated.	—
16.	Indian Airlines	IDBI, ANZ Grindhys Bank and Speedwing Consortium	0.294%	80 lakhs	—
17.	Engineering Projects (I) Ltd.	A.F. Ferguson		—	Joint venture proposal not yet referred by DHI

**Request for Form 'D' from Cooperative Societies of D warka**

\*69. SHRI K. RAHMAN KHAN: Will the Minister of URBAN DEVELOPMENT AND POVERTY ALLEVIATION be pleased to state: